

# Health Insurance Rates Decrease 5.8%

July 1, 2019

Dover, DE—Highmark Blue Cross Blue Shield of Delaware (Highmark BCBS) has submitted its required annual rate filing to the Delaware Department of Insurance. After years of substantial increases, Delaware's Marketplace has stabilized and premiums have decreased. Highmark BCBS, the only insurer continuing to offer insurance coverage in Delaware's individual market, has proposed a 5.8% decrease for 2020. The proposed 2020 rate decrease will affect over 20,000 Delawareans.

The decrease comes after last year's 3% rate increase and the Department's decision to silver load. By applying the rate increase to silver level plans only, a practice known as 'silver-loading,' Delaware's Marketplace received more federal subsidies, helping to assist in stabilizing the market and lowering premiums.

Commissioner Trinidad Navarro stated, "The silver loading strategy is something my staff and I gave careful consideration to last year, in anticipation that it would result in rate stabilization or possibly a decrease. While I am happy that we will see a decrease in the proposed rate, health insurance remains unaffordable for many Delawareans who do not qualify for premium subsidies. We are committed to reviewing the proposed rate decrease with the same careful analysis that we would give any rate proposal, whether it be an increase or decrease. I expect to announce the approved rate later this summer."

It is important to note, that the proposed rate decrease is unrelated to Delaware's intended submission of a 1332 Waiver

to establish a reinsurance program. If the application process is successful, the actuarial consultant's projections are correct, and the State of Delaware secures adequate funding, the waiver program may decrease rates by an additional 20%.

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*The Delaware Department of Insurance protects Delawareans through regulation and education while providing oversight of the insurance industry to best serve the public.*

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